

IDAHO JOB GROWTH TO CONTINUE AT SLOWER PACE, BUT STRONGER THAN U.S.

Jobs in Idaho will increase at about 2 percent a year through 2014, slower than the rapid growth the state has experienced since 2002 but only modestly lower than the rate Idaho Commerce & Labor analysts projected in their last long-range job forecast two years ago.

The new projections issued this fall show job growth across the state slowing to a more sustainable rate through the next eight years compared to the 3 percent to 4 percent annual increases of the past three years.

Nationally, jobs are projected to grow at only about 1 percent a year through 2014.

Between retiring baby boomers and Idaho's growing population and expanding economy, there will be on average 31,000 job openings every year across the state. In general, employers will be about evenly split between hiring new people to meet growing demand and finding qualified people to replace workers who have retired or quit for any number of reasons. The number of job openings will likely run somewhat below the average of 31,000 for the next few years and somewhat above it as 2014 draws closer. FYI Chart 1 illustrates the projected job growth to 2014.

Much of the employment growth will be driven by the continued heavy immigration to Idaho from other states and nations — more people means more services, retail outlets, eateries and schools — and the aging of the Idaho's population will put even more pressure on the already tight health care labor pool.

The projections also underscore the value of education. About 20 percent of the jobs in Idaho pay a median wage of \$20 an hour or more today, and six of every seven require some kind of academic degree. The others are in the skilled trades — electricity, plumbing and various kinds of machinery repair — and supervisory positions that require significant prior work experience in the field.

The projections provide estimates on new jobs, replacement jobs due to retirements or other reasons and total growth through 2014 for 550 different job classifications. They include the November 2005 median wage for each classification and the education or training level of the majority of workers in the occupation.

Overall, the number of jobs in Idaho will grow from 656,000 in 2004 to over

807,000 in 2014, up over 23 percent. More than 23,000 new jobs were created in just 2005, getting the new projection period off to an extremely strong start that is anticipated to ease up as the decade runs its course.

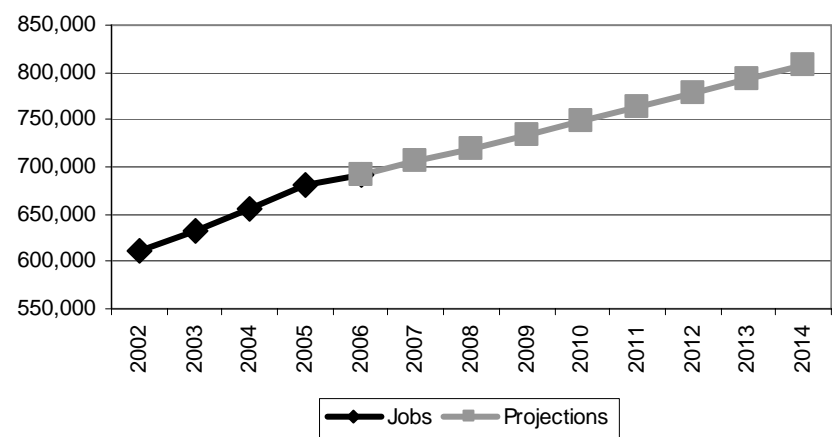
Fueling the 2005 growth of 3.5 percent was the two-year combined growth of 7.4 percent between 2002 and 2004.

Past forecasts have been close to the actual outcome in Idaho. In 1996, for example, Idaho Commerce & Labor analysts projected 707,000 jobs across the state by 2006, an increase of over 27 percent. The national downturn in 2001-2002 was not anticipated, and growth dropped below the projection line. FYI Chart 2 on page 25 illustrates the correlation between projected and actual job growth from 1996-2006.

But while 2006 is not over, it has been one of the strongest job growth years ever. Combined with the strength of 2004 and 2005, 2006 will offset much of the stagnation the economy experienced four years earlier. The result will likely be at least 700,000 jobs and possibly more to put the number within 1 percent of the original projection.

There have been signs through the summer and into the fall that Idaho's dramatic recovery from the national recession of 2001-2002 may have finally run its course. But with the statewide unemployment rate still running well below 4 percent, the economy is operating at a very robust level, one that only an inadequate supply of qualified workers could weaken significantly.

FYI Chart 1: Idaho Annual Job Growth 2002-2005, Projected 2006-2014



The Census Bureau's last round of population projections anticipated Idaho would be among the fastest growing states in the nation over the next quarter century. The indication from the early years of that projection bears it out.

From 2000 to 2005, Idaho's population was supposed to increase by 8.8 percent. It actually rose by 10.5 percent — 22,000 more people than projected. That early pace puts the state well ahead of the 26 percent population increase demographers predicted by 2015.

The hottest jobs into the next decade — the jobs that pay better because a larger number of employers rely on them — will be nursing, teaching, engineering, skilled trades and managing just about anything out there — construction, finances, medical care, farms, law enforcement to name just a few. Two thirds require a post-secondary academic degree.

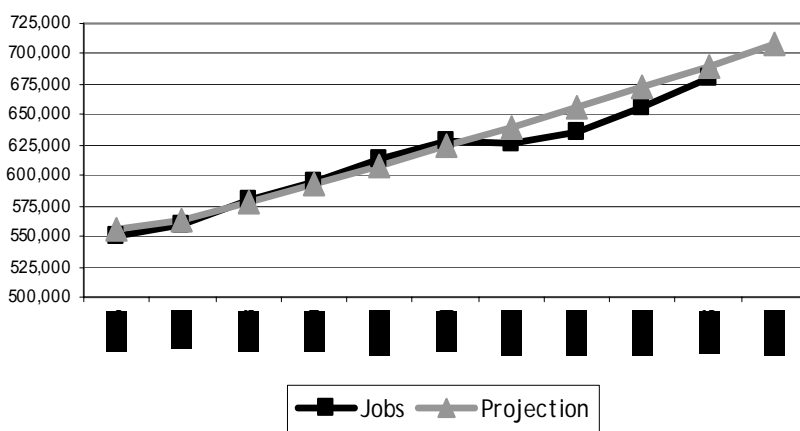
To a great extent, the jobs of the future reflect an aging population and evolving technological society. Of the 20 fastest growing jobs in the coming years, seven are in health care and five are computer related.

At the same time, clerks of all stripes will disappear — down 17 percent by 2014 — replaced by computers or some related technology.

Idaho's small cadre of writers and artists will also remain small, essentially stagnating even as the overall population keeps rising dramatically.

Job distribution based on wages seemed to also hint at the increasing technological skills the Idaho and national economies will be demanding in the years to

FYI Chart 2: Idaho Jobs vs. Projections, 1996-2006



come. The low end of the wage scale should continue to cover just over 30 percent of the jobs. But the middle range of the scale — \$10 to \$20 an hour by today's standards — may well give some ground to the jobs paying more — jobs that require post-secondary education if not advanced academic degrees.

Almost a full percentage point more jobs will be in the top wage category in 2014 compared to 2004.

For the complete report on 2004-2014 occupation projections, go to <http://lmi.idaho.gov> and under Employment on the left hand menu click Occupation Projections.

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FYI Table 1: Job Growth by Wages, 2004 to 2014

Hourly Pay Range	Jobs 2004	% of All Jobs 2004	Jobs 2014	% of All Jobs 2014	Total Growth 2004 to 2014	% of Total Growth	Annual Openings	% of Annual Openings
Under \$10	184,400	30.37%	227,800	30.39%	43,400	30.43%	10,200	35.05%
\$10--\$12	100,100	16.49%	120,100	16.02%	20,000	14.03%	4,100	14.09%
\$12--\$15.50	110,900	18.26%	135,000	18.01%	24,100	16.90%	4,700	16.15%
\$15.50--\$20	103,900	17.11%	127,600	17.02%	23,700	16.62%	4,700	16.15%
Over \$20	107,900	17.77%	139,200	18.57%	31,400	22.02%	5,400	18.56%
		100%		100%		100%		100%

Thanks to all Idaho Employment readers who filled out the survey that appeared in the August newsletter. The following is a synopsis of reader responses.

The regional news section in this newsletter is the most valuable piece of information to the majority of readers — nearly 67 percent — who responded to the survey.

A substantial 34.5 percent of Idaho Employment readers responded to the survey, which had two major objectives — how can the newsletter be improved and how many subscribers will switch to electronic delivery.

While all sections of the newsletter generally garnered “highly valuable” to “most valuable” rankings, the FYI section had the lowest percentage of “most valuable” marks at 23.4 percent. Readers were asked to rank five sections of the newsletter from least valuable (1) to most valuable (5). Survey Table 1 shows a breakdown of the top rankings for each section.

Survey Table 1: Value Ranking of Newsletter Sections		
Section	Most Valuable (5) % Respondents	Highly Valuable (4) % Respondents
Regional News	66.8%	21.4%
Labor Force & Nonfarm Data	35.2%	31.2%
Overall Newsletter	32%	47.8%
State Overview	30.8%	35.2%
FYI	23.4%	35.9%

A little more than half of the respondents, 55.6 percent, prefer the current monthly publication schedule to a suggested quarterly schedule. Less than half said they use the Labor Market Information Web site — <http://lmi.idaho.gov> — but nearly 37 percent of those who do use it on a weekly to monthly basis.

OTHER ECONOMIC INDICATORS

Currently, the Idaho Employment newsletter includes monthly labor force and nonfarm payroll data for the state and labor market areas. County unemployment rates are published along with the U.S. unemployment rate and the U.S. Consumer Price Index.

The survey asked readers for suggestions of other economic indicators they would like to see covered in the newsletter. Many that were suggested are available on Idaho’s Labor Market Information Web site at <http://lmi.idaho.gov>. Survey Figure 1 on page 27 shows the expanded menu from the Web site’s home page and all the information that is published there such as wage data, employment statistics by industry and occupation, census and labor force data by county, occupational projections for Idaho and much more.

The U.S. Bureau of Labor Statistics, the U.S. Bureau of Economic Analysis and the U.S. Census Bureau also have

extensive Web sites with labor-related information on national, state, labor market area and even county levels, in some cases. Many of the economic indicators that readers requested are on those Web sites. Idaho’s main Web site, <http://www.accessidaho.org/>, is ideal for individuals or businesses moving to the area. It has links pertinent to both groups at the top of the home page.

Housing starts and other construction activity data are collected by the National Association of Home Builders — <http://www.nahb.org/> — and Wells Fargo, which release periodic reports.

Wells Fargo also provides monthly reports on the Boise cost-of-living and the comparable national cost-of-living at <https://www.wellsfargo.com/com/research/economics/index>.

The Idaho Tax Commission produces monthly sales tax reports, by county, at <http://tax.idaho.gov/>.

Find a list of helpful Web sites in Survey Table 2 on page 27.

WAGES

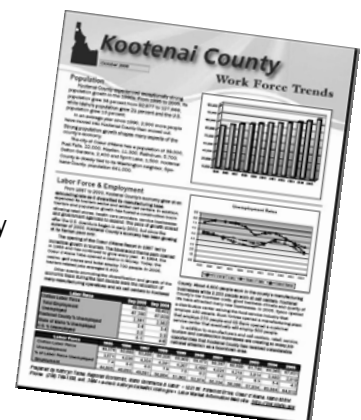
Wage information was among the most requested data in the survey. Idaho Commerce & Labor conducts an annual wage survey, which is published as the Idaho Occupational Employment and Wage Survey and posted online at <http://lmi.idaho.gov/wages>. It includes wages by occupation both statewide and by the state’s five labor regions.

(Survey results continued on page 27)

PUBLICATION PROFILES CURRENT COUNTY LABOR MARKET INFORMATION

County Work Force Trends is a series of one-page publications on each Idaho county and the state that provide a 20-year snapshot of that area’s economy. They include data on population, labor force, employment, unemployment rates, wages, income, major employers, area occupational wages and per capita income.

These are available in a PDF format on the Labor Market Information Web site at <http://lmi.idaho.gov> under “County and Community Profiles” on the left menu. They are updated monthly and annually, depending on data availability.



SUGGESTED IMPROVEMENTS

About half of the respondents are satisfied with the publication as is. Some requested information that is already available in another Idaho Commerce & Labor publication, Work Force Trends by county, which is described in a related article.

- Other suggested improvements included:
- Add grant writer information on the Web site, <http://lmi.idaho.gov>.
- Make the publication easier on the eyes.
- Include more analysis of labor market conditions, not just reporting of numbers.
- Use more graphs and analysis.
- Provide more information on leisure and hospitality and medical services.
- On a quarterly basis, publish an article on an Idaho industry, city or region.
- Include a searchable archive of the newsletter online.
- Print the publication's URL on the first page of the newsletter.
- Publish on a more consistent schedule.
- Provide information on the distances workers travel to work.
- Offer an RSS feed to let people know about new publications or projects.

Survey Table 2: Web Site Resources

- Access Idaho - Idaho's Official Website - <http://www.accessidaho.gov>
- Division of Financial Management - Idaho Economic Forecasts - <http://dfm.idaho.gov>
- Bureau of Economic Analysis - <http://www.bea.gov>
- U.S. Bureau of Labor Statistics - <http://www.bls.gov>
- U.S. Census Bureau - <http://www.census.gov>
- Idaho Tax Commission — Sales tax receipts by county published monthly online — <http://tax.idaho.gov>
- National Association of Home Builders — Compiles housing starts and permits with Wells Fargo. Some results published on the Web site — <http://www.nahb.org/>
- Wells Fargo — Compiles a monthly Boise cost-of-living index — <http://www.wellsfargo.com/com/research/economics/index>

NOW WHAT?

The Idaho Employment editors and writers appreciate all of the responses to the survey and hope to incorporate changes that will benefit readers the most. Because of recent budget changes at Idaho Commerce & Labor, the newsletter cannot be printed in-house, so other options are being pursued. Online delivery may be the only option in the future. You will be kept informed.

Thank you,

Editors & Writers, Idaho Employment

Survey Figure 1: Menu Choices

[on http://lmi.idaho.gov](http://lmi.idaho.gov)

Business Directory

▼ Employment

Covered Employment
Occupation Projections
Farm Labor
Labor Force
Nonfarm Jobs

▼ Unemployment

Labor Force
UI Research

▼ Income & Wages

Alien Labor Certification
Consumer Price Index
Covered Wages
Davis-Bacon Act
Fringe Benefits Survey
2005
Income
Wages by Occupation

▼ Local Employment Dynamics

LED Program
LED County Reports

▼ Farmworker Services

Farmworker Service Program
Farm Labor

▼ County & Community Profiles

Idaho Economic Indicators
Population
Publications
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